

August 5, 2009

Angie Lacoste  
Department of Army  
New Orleans District, COE  
P.O. Box 60267  
New Orleans, LA 70160-0267

Permit No.: **MVN-2007-3859-EKK**  
Applicant: **Paris Properties LLC**  
TNC No.: **Perino 2**

Dear Ms. Lacoste,

This letter is confirmation that The Nature Conservancy of Louisiana has received payment from **Paris Properties, LLC** for 33.3 acres of pine wetland mitigation, which was required under the above listed permit. This contribution has been deposited in our Southeast Louisiana Pine Wetlands Mitigation Bank account and will be used for the acquisition, restoration and maintenance of pine wetlands in southeast Louisiana. To date, our bank in the Northshore area has helped conserve over 4,000 acres.

Sincerely,

  
Jonathan Dearbone  
Land Conservation Specialist

cc: **Paris Properties LLC**  
**501 J. F. Smith Avenue**  
**Slidell, LA, 70460**



1. Permittee agrees to purchase from TNC all or a portion of acre credits required to fulfill its off-site compensatory mitigation under the Permit(s), said purchase to consist of a minimum of 33.3 acre credits (the "Minimum Credits") at a non-refundable purchase price of \$13,000 per acre credit (the "Credit Price") for a total minimum payment of \$432,900.00. Any purchase by Permittee of additional acre credits (if available) above the Minimum Credits shall be at the then current Credit Price, prorated for any partial acre credit. Permittee acknowledges and agrees Permittee is responsible for ensuring that any such payment schedule and acre credits comply with the terms of Permittee's Wetlands Use Permits listed above and any rules, regulations or requirements of the U.S. Army Corps of Engineers. **Permittee agrees to deliver payment to TNC at the signing of this contract for the all acre credits to be purchased under this Agreement and said contract is not valid until payment has been received.**

2. TNC agrees to temporarily reserve 33.3 acres of potential mitigation within the Southeast Louisiana Pine Flatwood Wetland Mitigation Bank - Perino Tract, as part of this Agreement. Upon receipt by TNC from Permittee of full payment of all amounts due hereunder, TNC further agrees to incur responsibility for mitigation of the amount of acreage of pine wetland savanna and/or flatwoods in the Mitigation Bank equal to the amount of acre credits actually purchased by Permittee in accordance with this Agreement.

3. Permittee acknowledges that TNC has reserved acres in the Mitigation Bank in reliance upon Permittee's payment in accordance with this Agreement. Permittee further acknowledges and agrees that Permittee's payment obligation for the Minimum Credits is not dependent upon the issuance of the Permit(s) or any changes in mitigation requirements thereunder. In the event payment for the Minimum Credits is not made in full by the due date, then Permittee shall be in default hereunder and TNC shall be entitled, without prior notice to Permittee, to seek all remedies available at law and equity, specifically including without limitation termination of this Agreement, release of the acres reserved under this Agreement and pursuit of collection of the minimum payment due from Permittee hereunder. In such event, Permittee agrees to reimburse TNC for all reasonable costs of enforcement, including court costs and reasonable legal expenses.

4. This Agreement shall become effective as of the date it is last signed by TNC and Permittee and payment has been received, and constitutes the entire agreement between Permittee and TNC and may not be changed, amended or modified except by instrument in writing signed by both parties hereto.

5. TNC's obligations under this Agreement are subject to the receipt by TNC from Permittee of the completed and executed "Disclosure Form" in the form attached hereto as

Exhibit A evidencing that Permittee does not have a real or perceived conflict of interest with TNC.

6. Any notices given under this Agreement to either party shall be made in writing, and delivered in person or by (i) United States certified mail, return receipt requested, or (ii) Federal Express Corporation or other nationally recognized overnight courier for next day delivery to each party at their address set forth above. Any notice delivered as above will be deemed given upon its personal delivery or upon deposit into the custody of the U.S. Postal Service or Federal Express Corporation or other nationally recognized overnight courier, as applicable.

7. This Agreement shall be governed by and construed under the laws of the State of Louisiana, and shall be binding upon and inure to the benefit of the successors and assigns of Permittee and TNC. Neither party hereto shall assign this Agreement without the prior written consent of the other party and the Corps of Engineers.

**SIGNATURES**

**PERMITTEE**

**THE NATURE CONSERVANCY**

By:

By:



Paris Properties, LLC

Dr. Keith Ouchley, Ph.D  
The Nature Conservancy

Date:

8-4-09

Date:

Legal Review: LPR 0723/09

## Disclosure Form

It is the policy of The Nature Conservancy ("TNC") to identify real or perceived conflicts of interest involving any party with whom TNC is entering into a transaction. To assist TNC in complying with this policy, we request that all individuals and/or "entities" (other than TNC) that will be involved in this transaction complete this form.

**I. TRANSACTION INFORMATION** (to be completed by TNC staff)

**A. Real Estate Transactions**

Site (Tract):

Check one:

TNC acquisition:

TNC sale:

Check one:

Fee interest:

Conservation easement:

Other (describe):

Acreage:

Location (Country, state/province, county/other local unit):

United States, Louisiana, St. Tammany Parish

**B. Non-Real Estate Transactions** (non-real estate contracts, grants to other non-profits, and other transactions)

Describe:

Mitigation Contract .

**C. Total dollar value of transaction:**

\$432,900

**II. NAMES OF PARTIES TO THE TRANSACTION:** Please identify all individuals and/or entities (other than TNC) that will be involved in this transaction. An "entity" includes a corporation, partnership, trust, estate, joint venture, unincorporated affiliation, or public board, commission, or not-for-profit organization.

Paris Properties, LLC

**INDIVIDUALS ANSWER SECTIONS III AND V; ENTITIES ANSWER SECTIONS IV AND V.**

**III. QUESTIONS FOR EACH INDIVIDUAL IDENTIFIED IN SECTION II:**

Are you: (please attach an explanation for any "Yes" answers)	Yes	No
A. a TNC employee (now or during the last 12 months)		✓
B. a member of TNC's Board of Directors (now or during the last 12 months)		✓
C. a TNC Chapter Trustee/Advisor (now or during the last 12 months)		✓
D. a Major Donor of TNC- A "major donor" is an individual or organization that has made a gift or pledge of US\$500,000 or more at any one time or cumulatively within the last 5 years in cash, appreciated securities or other assets, or in land, easement, or bargain-sale value		✓
E. an other insider of TNC- "Other insiders" of TNC include individuals such as former members of TNC's Board of Directors, former Chapter Trustees, members of TNC advisory boards or committees, members of TNC's President's Conservation Council, volunteers or former employees of TNC who, by virtue of their current involvement or their involvement within the past 12 months with TNC either have access to "inside information" that could place them within a conflict situation or could give the appearance of such persons having the ability to unduly influence TNC. Depending on circumstances, an independent contractor, grantee, other outside party or their employees may be an "other insider" if that person or entity has access to "inside information." "Inside information" consists of any material information that is identified as confidential and proprietary and pertains to the business and affairs of TNC, whether related to a specific transaction or to matters relating to TNC's interests, activities and policies.		✓

F. to your knowledge, a close relative of any individual described in A-E, above- A "close relative of an individual" includes (a) his or her spouse, in-laws(father, mother, brother, sister, son and daughter in-laws), natural or adopted children, parents and/or step-parents, grandchildren, grandparents, brothers and sisters; (b) any person who shares living quarters with the individual under circumstances that closely resemble a marital relationship; and (c) any person who is financially dependent upon the individual?		✓
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IV. QUESTIONS FOR EACH ENTITY IDENTIFIED IN SECTION II:

Please attach an explanation for any "Yes" answers:	Yes	No
A. Is the entity a TNC "major donor" or "other insider"? (as those terms are defined in III D & E, above.)		✓
B. To your knowledge, does any current or former TNC employee, current or former TNC Board member, current or former (for these purposes, former means within the last 12 months) Chapter Trustee/Advisor, "major donor", "other insider" of TNC, or any "close relative" of any of the foregoing:		✓
1. Own directly or indirectly more than 5% of the equity or any voting security in the entity?		✓
2. Serve as a director, executive officer, executor, administrator, trustee, beneficiary, controlling partner, or otherwise serve in a fiduciary capacity or hold a substantial beneficial interest in the entity?		✓
3. Have legal or de facto power to control the election of a majority of directors of the organization or to control the management or policies of the entity?		✓

V. QUESTION FOR EACH INDIVIDUAL AND/OR ENTITY IDENTIFIED IN SECTION II:

Please attach an explanation for a "Yes" answer.	Yes	No
To your knowledge, do you, or does the entity, own or control a "related organization" that is also a "major donor" or an "other insider" of TNC (as those terms are defined in III D & E, above)?		✓
For purposes of this question, an organization is a "related organization" if any individual or entity identified in Section II: <ul style="list-style-type: none"> <li>• Owns directly or indirectly more than 5% of the equity or any voting security in the organization, or</li> <li>• Serves as an officer, director, or partner, or otherwise has the ability to control management and policies of the organization.</li> </ul>		

Signatures of all the individuals and/or signatures on behalf of all entities identified in Section II:

Chris Jean  
 Name of individual

Date 8.4.09

Entity name: Paris Properties, LLC	
Signed by: <u>[Signature]</u>	Date 8.4.09

1183

CAPITAL ONE, N.A.  
SLIDELL, LA 70461  
14-9850

JFS BUSINESS PARK, LLC  
501 J. F. SMITH AVENUE  
SLIDELL, LA 70460  
(985) 641-7330

8/4/2009

Pay to the  
Order of

Nature Conservancy

\$ \*\*432,900.00

Four Hundred Thirty-Two Thousand Nine Hundred and 00/100 \*\*\*\*\*  
Nature Conservancy

Dollars

*[Handwritten Signature]*

BACK

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1183

JFS BUSINESS PARK, LLC  
Nature Conservancy

8/4/2009

432,900.00

capital one

432,900.00